6.3 Emerging Approaches: Removing Unintended Utility Rate Barriers to Distributed Generation

The state public utility commission (PUC), in setting appropriately designed electric and natural gas rates, can support clean distributed generation (DG) projects and avoid unnecessary barriers, while also providing appropriate cost recovery for utility services on which consumers depend.

Policy Description and Objective

Summary

The unique operating profile of clean energy supply projects (i.e., renewable and combined heat and power [CHP])[43] may require different types of rates and different rate structures. However, if not properly designed, these additional rates and charges can create unnecessary barriers to the use of renewables and CHP. Appropriate rate design is critical to allow for utility cost recovery while also providing appropriate price signals for clean energy supply.

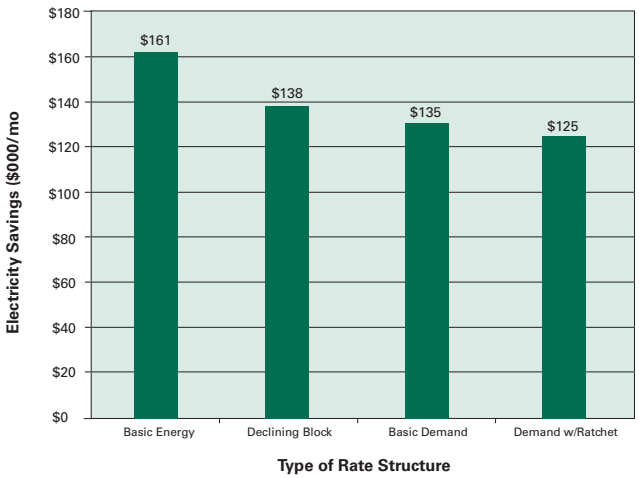
Customer-sited clean energy supply projects are usually interconnected to the power grid and may purchase electricity from or sell to the grid. Electric utilities typically charge these customers special rates for electricity and for services associated with this interconnection. These rates include exit fees, standby rates, and buyback rates. For more information on interconnection, see Section 5.4, *Interconnection Standards*.

As with interconnection, states can play an important role in balancing the utility's need to recover costs for services provided against the clean energy project's benefits in the form of grid congestion relief, reliability enhancement, and emissions reductions. States are finding that strategically sited clean energy supply can be a lower-cost way to meet growing demand, particularly in grid-congested areas.

The charges for services provided to interconnected clean energy projects, the price paid for electricity sold to the grid, and the basic design of electric utility rates can have a significant effect on a project's economic viability. To illustrate, a 1.4 megawatt (MW) CHP project's savings can range from $161,000 to $125,000 per month ($432,000 annual savings differential), depending on the rate structures (see Figure 6.3.1). This can make or break a project's profitability.

Interconnection with the grid can serve a variety of different needs that have potential rate impacts. Depending on the specific renewable energy/CHP system design, operating conditions, and the load requirements of the end user, the onsite clean energy

Figure 6.3.1: Effect of Rate Structure on Electric Savings Revenue for 1.4 MW CHP Project



Source: EEA 2005.

[43] Unless otherwise stated, this document refers to smaller-scale, customer-sited DG, not large wind farms or large merchant electricity generators using CHP. These large renewable and CHP systems interact with the electric grid more like central station plants and have different rate and grid interaction issues than the technologies addressed here.

system may provide anywhere from zero to greater than 100% of the end user's electricity needs at any given moment. When the unit produces less than the customer's full electricity requirements, power from the grid is used to supplement (or supply in full) the customer's electricity need. If the system produces more than is required by the customer, it may be able to export power back to the grid and receive payment in return.

In nearly all clean energy supply installations—even those sized to serve the customer's full electric load—grid power may be needed at times due to a forced outage, planned maintenance outage, or a shut-down for economic reasons. Purchasing power from the grid for these purposes is usually more cost-effective than providing redundant onsite generation. Utilities typically charge special rates to provide this service, generically known as "standby rates." Some utilities charge energy users an exit fee when they reduce or end their use of electricity from the grid.

In addition to electric rates, if natural gas is used to fuel the CHP unit, gas rates will also affect the CHP system economics. All of these rates can have a critical effect on the viability of clean energy projects and can be addressed by states.

Rates Background

Under conventional electric utility ratemaking, electricity suppliers are paid largely according to the amount of electricity they sell. If customers purchase less electricity due to onsite generation projects (or energy efficiency projects), the utility has less income to cover its fixed costs. Utilities have applied a variety of rates to recover reduced income due to end-use efficiency, onsite generation, or other changes in customer operation or mix. States have begun exploring whether these alternative rates and charges are creating unanticipated barriers to the use of clean energy supply.

These concerns and other results of electric restructuring have triggered new proposals for rate designs that "decouple" utility profits from sales volume. One category of such approaches is "performance-based" rates, which base the utility's income on its efficiency, rather than simply sales volume. This is one of several strategies that states are applying to avoid undue barriers and to provide appropriate price signals for renewable and CHP projects that balance the rate impacts on utilities with the societal benefits (including electric grid benefits) of renewable and CHP generation. For more information on decoupling utility profits from electric sales, see Section 6.2, *Utility Incentives for Demand-Side Resources.*

Some of the specific rate issues that states are addressing include:

- *Exit Fees.* When facilities reduce or end their use of electricity from the grid, they reduce the utility's revenues that cover fixed costs on the system. The remaining customers may eventually bear these costs. This can be a problem if a large customer leaves a small electric system. Exit (or stranded asset recovery) fees are typically used only in states that have restructured their electric utility. To avoid potential rate increases due to the load loss, utilities sometimes assess exit fees on departing load to keep the utility whole without shifting the revenue responsibility for those costs to the remaining customers.

  States may wish to explore whether other methods exist to make utilities whole. Because many factors affect utility rates and revenues (e.g., customer growth, climate, fuel prices, and overall economic conditions), it does not naturally follow that any reduction in load will necessarily result in cost increases.

  Some states that have restructured their electric industry have imposed exit fees as a means to assure recovery of a special category of historic costs called "stranded costs or stranded asset recovery." In some states, such as Texas, these "competitive transition charges" have expired as the restructuring process is completed. States have exempted CHP and renewable projects from these exit fees to recognize the economic value of these projects, including their grid congestion relief and reliability enhancement benefits. For example,

Massachusetts and Illinois exempted some or all CHP projects from their stranded cost recovery fees.

- *Standby and Related Rates.* Facilities that use renewables or CHP usually need to provide for standby power when the system is unavailable due to equipment failure, during periods of maintenance, or other planned outages.

  Electric utilities often assess standby charges on onsite generation to cover the additional costs they incur as they continue to provide adequate generating, transmission, or distribution capacity (depending on the structure of the utility) to supply onsite generators when requested (sometimes on short notice). The utility's concern is that the facility will require power at a time when electricity is scarce or at a premium cost and that it must be prepared to serve load during such extreme conditions.

  The probability that any one generator will require standby service at the exact peak demand period is low and the probability that all interconnected small-scale DG will all need it at the same time is even lower. Consequently, states are exploring alternatives to standby rates that may more accurately reflect these conditions.

  States are looking for ways to account for the normal diversity within a load class[44] and consider the probabilities that the demand for standby service will coincide with peak (high-cost) hours versus the benefits that CHP and renewables provide to the system.

- *Buyback Rates.* Renewable and CHP projects may have electricity to sell back to the grid, either intermittently or continuously. The payment received for this power can be a critical component of project economics. The price at which the utility is willing to purchase this power can vary widely. It is also affected by federal and state requirements.

  The Public Utilities Regulatory Policy Act (PURPA) sets standards for buyback rates at the utility's avoided cost (i.e., the cost of the next generating resource available to the utilities). When large renewable or CHP generators have open access to wholesale electricity markets, they usually have access to competitive markets for both appropriate sales and purchase of electricity, including standby services. These markets usually include the value of both the energy and transmission, whereas the latter is usually not included in regulated rates. In regulated markets, states are responsible for helping generators and utilities establish appropriate buyback rates.

  Net metering regulations allow small generators (typically renewable energy up to 100 kW)[45] a guaranteed purchase for their excess generation at a distribution utility's retail cost. While this price is higher than the utility's wholesale cost of electricity, it also includes the cost of delivery and is typically seen as a reasonable rate for small generators. Net-metering programs typically also address interconnection in a simple way, which is appropriate for small renewable projects. (For more information on net metering, see Section 5.4, *Interconnection Standards.)*

- *Gas Rates for CHP Facilities.* Some states, including New York and California, have established special favorable natural gas rates for CHP facilities. For example, New York has frozen gas rates for DG facilities until at least 2007 to provide economic certainty to developers.

State Objectives

A key state PUC objective is to ensure that consumers receive reliable power at the lowest cost. In approving rates, the PUC can support renewable and CHP projects and avoid unanticipated barriers, while also providing appropriate cost recovery for the utility services on which consumers depend.

44 For example, some industrial facilities run three shifts per day while others only run one shift per day. This would lead to a three-fold disparity between peak and minimum power demand in two otherwise identical facilities.

45 Note that the definition of a renewable resource varies by state.

Benefits

Appropriately designed rates can promote the development of CHP and renewables, leading to enhanced reliability and economic development while protecting utility ratepayers from excessive costs.

The benefits of increasing the number of clean DG projects include expanding economic development, reducing peak electrical demand, reducing electric grid constraints, reducing the environmental impact of power generation, and helping states achieve success with other clean energy initiatives. The application of DG in targeted load pockets can reduce grid congestion, potentially deferring or displacing more expensive transmission and distribution infrastructure investments. A 2005 study for the California Energy Commission (CEC) found that strategically sited DG yields improvements to grid system efficiency and provides additional reserve power, deferred costs, and other grid benefits (Evans 2005). Increased use of clean DG can slow the growth-driven demand for more power lines and power stations.

States with Existing Rates for Renewables or CHP

As of early 2005, several states have evaluated or have begun to evaluate utility rate structures and have made changes to promote CHP and renewables as part of their larger efforts to support cost-effective clean energy supply as an alternative to expansion of the electric grid. This type of work is typically conducted by the state PUC through a formal process (docket or rulemaking) that allows input from all stakeholders.

California and New York have established revised standby rate structures that are more favorable to CHP and renewables. Another state has found that designing a standby rate structure that bases the charges on the onsite generator's capacity rather than the amount of capacity supplied (thus creating a high charge even if there is no outage) has resulted in a dramatic decline in the number of CHP projects proposed where this rate exists.

Some states have incorporated exit fee exemptions into their electric restructuring programs for existing loads that leave a utility's distribution system. For example, Illinois, Massachusetts, and New York allow certain exit fee exemptions for loads that are replaced by clean onsite generation, specifically CHP and renewables.

More than 30 states have net metering regulations that provide a guaranteed purchase of small generators' excess generation at the distribution utility's retail cost.

Two states have established special gas rates for electric generators, including CHP projects. California has implemented special gas tariffs for all electric generators. In 2003, the New York Public Service Commission (PSC) ordered natural gas companies to create a rate class specifically for DG users and certify that they had removed rate-related barriers to DG.

Designing Fair and Reasonable Utility Rates for Clean Energy Supply

States consider a number of key elements as they develop new strategies that ensure utility rates allow renewables and CHP to complete on a level playing field and that recognize their benefits while providing a reliable electric system for consumers and adequate cost recovery for utilities.

Participants

- *State PUC.* Rates typically are approved by the state PUC during a utility rate filing or other related filing. The PUC staff are the focal point for evaluating costs and benefits to generators, utilities, consumers, and society as a whole. Many PUCs conduct active rate reviews in order to maintain consistency with changing policy priorities.
- *Utilities.* Utilities play a critical role in rate-setting. Their cost recovery and overall economic focus have historically revolved around volumetric rates that reward the sale of increased amounts of electricity. Anything that reduces electricity sales

(including clean DG, energy efficiency, and departing load) also reduces utility income and may make it more difficult to cover fixed costs if the fixed components of existing tariffs are not calculated to match utility fixed costs. This creates a disincentive for utilities to support such projects. New ways of setting rates (e.g., decoupling or performance-based rates) can make utility incentives consistent with those of clean energy developers and policymakers. (For more information on policies that can serve as utility incentives for clean energy, including decoupling utility profits from electric sales, see Section 6.2, *Utility Incentives for Demand-Side Resources.)*

- *Renewable Energy and CHP Project Developers.* Project developers establish the benefits of clean technology and the policy reasons for developing rates that encourage their application. They participate in rulemakings and other proceedings, where appropriate.
- *Regional Transmission Organizations (RTOs) or Independent System Operators (ISOs).* While not directly involved in utility rate-setting, these entities manage electricity infrastructure in some regions of the country. They interact with CHP and renewable generators and may also be involved in ratemaking discussions.
- *State Energy Offices, Energy Research and Development Agencies, and Economic Development Authorities.* These state offices often have an interest in encouraging renewables and CHP as a strategy to deliver a diverse, stable supply of reasonably priced electricity. They may be able to provide objective data on actual costs and help balance many of the issues that must be addressed.
- *Current and Future Energy and CHP Users.* Energy users have a considerable stake in the rates discussion. In some states, users are encouraged by the PUC to participate in utility hearings. They can also provide input on required rates and technical requirements and help recommend policies to accommodate utility needs.

Interaction with Federal Policies

PURPA Sec. 210 regulates interactions between electric utilities and renewable/CHP generators that are Qualifying Facilities (QFs).[46] PURPA played a role in structuring these relationships, most notably in developing the concept of rates based on avoided cost. In noncompetitive markets, QF status may be the only option for non-utility generators to participate in the electricity market.

Interaction with State Policies

Designing utility rates to support clean energy can be coordinated with other state policies.

- Ratemaking issues are often closely tied to a state's electric restructuring status. For example, exit fees typically exist only in restructured states. When generators have open access to electric markets, they can often provide for their own standby services through the market. This is especially true for larger generators that can negotiate market rates.
- States have explored decoupling utility returns from the volume of electricity sold. This issue addresses the basic divergence of interest between utilities and onsite generators and can be very important when examining rates for clean DG. (For more information on decoupling, see Section 6.2, *Utility Incentives for Demand-Side Resources.*)
- If a renewable portfolio standard (RPS) and/or a public benefits fund (PBF)/clean energy fund are in place, unreasonable standby rates and exit fees may unintentionally hamper their success by rendering clean energy projects uneconomical. (See Section 5.1, *Renewable Portfolio Standards,* and Section 5.2, *Public Benefits Funds for State Clean Energy Supply Programs*).

[46] A qualifying facility is a generation facility that produces electricity and thermal energy and meets certain ownership, operating, and efficiency criteria established by the Federal Energy Regulatory Commission (FERC) under PURPA.

- States may consider working with utilities to offer credits to customer-sited clean energy supply in areas of high grid congestion. This can be the most cost-effective strategy to reduce chronically high congestion costs.

Program Implementation and Evaluation

Addressing rate issues requires different solutions depending on the status of electricity restructuring in each state and other characteristics of the local generating mix and regulatory situation. This section describes some of the issues that states have considered as they undertake the task of developing rates that support clean energy technologies.

Administering Body

Rate-appropriate decisions are almost always within the purview of a state's PUC. However, many state PUCs do not regulate municipal and cooperative utilities standby rates. (Vermont is an example of a state where PUCs do regulate municipal utilities standby rates.) While PUCs are familiar with many of the traditional rate issues, some states are beginning to explore new approaches to balance rate reasonableness with utility cost recovery, particularly for clean energy supply.

Key Issues in Ensuring Rate Reasonableness

- States are attempting to ensure that rates are based on accurate measurement of costs and benefits of clean DG, and further that such costs and benefits are distinct from those already common to the otherwise applicable rate classification. For example, California has funded a study that investigates whether DG, demand response, and localized reactive power sources enhance the performance of an electric power transmission and distribution system. This report presents a methodology to determine the characteristics of distributed energy resource projects that enhance the performance of a power delivery network and quantify the potential benefits of these projects (Evans 2005).

Best Practices: Implementing Rates to Support CHP and Renewable Energy

The following best practices, based on state experiences, can help states implement rates that support CHP and renewable energy.

- Ensure that state PUC commissioners and staff have current and accurate information regarding the rate issues for CHP and renewables and their potential benefits for the generation system. These new technologies may not have been considered for rates that were developed before the more widespread application of renewable energy and CHP.
- Open a generic PUC docket to explore the actual costs and system benefits of onsite clean energy supply and rate reasonableness, if these issues cannot be addressed under an existing open docket.
- Coordinate with other state agencies that can lend support. State energy offices, energy research and development offices, and economic development offices can be important sources of objective data on actual costs and benefits of onsite generation.

- States may wish to explore ways to ensure that the benefits of clean DG that can accrue to the upstream electricity grid are reflected in rates. These benefits include increased system capacity, potential deferral of transmission and distribution (T&D) investment, reduced system losses, improved stability from reactive power, and voltage support. In restructured states, these benefits may be external to the regulated utility, but it is important that rates capture these elements to ensure optimum capital allocation by both regulated and unregulated parties.
- States conduct annual program evaluation of the value of standby rates in encouraging CHP. Such rigorous program evaluation may impose costs and resource requirements on state PUCs.

State Examples

Exit Fees

California

There are several types of exit and transition fees in the California market, and they are handled differently depending on the specific utility. Fee exemptions exist for various classes of renewable and CHP systems, including:

- Systems smaller than 1 MW that are net metered or are eligible for California Public Utilities Commission (CPUC) or CEC incentives for being clean and super-clean.
- Ultra-clean and low-emission systems that are 1 MW or greater and comply with California Air Resources Board (CARB) 2007 air emission standards.
- Zero emitting, highly efficient (> 42.5%) systems built after May 1, 2001.

Illinois

In Illinois, a utility can assess exit fees for stranded costs until December 31, 2006. The rule is fairly stringent and specific about the instances that trigger this fee. The rule does, however, provide an exemption for DG and CHP. A departing customer's DG source must be sized to meet its thermal and electrical needs with all production used on site.

Web site:
http://www.ilga.gov/legislation/ilcs/ilcs4.asp?DocName=022000050HArt%2E+XVI&ActID=1277&ChapAct=220%26nbsp%3BILCS%26nbsp%3B5%2F&ChapterID=23&ChapterName=UTILITIES&SectionID=21314&SeqStart=40500&SeqEnd=45100&ActName=Public+Utilities+Act%2E

Massachusetts

In Massachusetts, exit fees can be assessed for DG applications greater than 60 kilowatts (kW). Renewable energy technologies and fuel cells are exempt, regardless of their power rating. Massachusetts' restructuring law, however, specifically provides that distribution companies cannot charge exit fees to renewable or DG facilities unless certain conditions are met. These specified conditions include a prerequisite that the utility must see a "significant" revenue loss from non-utility generation. "Significant" is not defined and has led to unnecessary tension between utilities and DG users on issues of meter ownership and generator performance reporting.

Web site:
http://www.magnet.state.ma.us/dpu/restruct/96-100/cmr11-2.pdf

Standby Rates

California

California Senate Bill 28 1X (passed in April 2001) requires utilities to provide DG customers with an exemption from standby reservation charges. The exemptions apply for the following time periods:

- Through June 2011 for customers installing CHP-related generation between May 2001 and June 2004.
- Through June 2006 for customers installing non-CHP applications between May 2001 and September 2002.
- Through June 2011 for "ultra-clean" and low-emission DG customers 5 MW and less installed between January 2003 and December 2005.

California utilities submitted DG rate design applications in September 2001. A docket was opened to allow parties to file comments on the utility's proposals in October and November 2001. After a year, the CPUC decided to incorporate rate design proposals into utility rate design proceedings. Each utility's rate case is different, but in general, the rate design includes a contracted demand with high fixed charges.

New York

In July 2003, the New York PSC voted to approve new standby rates for utilities' standby electric delivery service to DG customers and standby service to independent wholesale electric generating plants that import electricity as "station power" to support their operations (NYPSC Case 99-E-1470).[47] A key consideration was for the rates to result in onsite generation running when it is less expensive than purchasing power from the grid.

Under the guidelines previously adopted by the New York PSC, standby rates are expected to reflect a more cost-based rate design that avoids relying on the amount of energy consumed (per-kilowatt-hour, or kWh) to determine the charges for delivery service. Instead, the new rates recognize that the costs of providing delivery service to standby customers should more accurately reflect the size of the facilities needed to meet a customer's maximum demand for delivery service at any given time. This varies not with the volume of electricity delivered, but primarily with the peak load (per-kilowatt) that must be delivered at any particular moment.

For certain categories of standby customers, the New York PSC voted to approve a series of options for the transition to the new rate structure. Specifically, pre-existing DG customers are offered two options. They can either shift immediately to the new standby rate or continue under the existing rate for four years and then phase into the standby rate over the next four years. Because the new rates align the customer cost with the potential benefit of onsite power to the grid, there are some cases in which it is more favorable for customers to opt in to the new rates, which also provide greater reliability to the grid.

Recognizing the environmental benefits of certain energy sources, customers that begin DG operations between August 1, 2003, and May 31, 2006, and use certain environmentally beneficial technologies or small CHP applications of less than 1 MW, can choose among three options. They can elect to remain on the current standard rate indefinitely, shift immediately to the new standby rate, or opt for a five-year phase-in period beginning on the effective date of the new standby rates.

Web site:
http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web?SearchView&View=Web&Query=%5BCaseNumber%5D=99-E-1470&SearchOrder=4&Count=All

Gas Rates for DG Customers

New York

The New York PSC directed electric utilities to consider DG as an alternative to traditional electric distribution system improvement projects. The Commission also recognized that increased gas use for DG can create positive rate effects for gas consumers by providing increased coverage of fixed costs. They therefore ordered natural gas companies to create a rate class specifically for DG users. The ceilings for these rates are to be frozen until at least the end of 2007 to enable the emerging DG industry to predict gas rates for an initial period of time.

Web site:
http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web/047CACD1286149B285256DF10075636D/$File/doc11651.pdf?OpenElement

What States Can Do

Action Steps for States

States have chosen a wide variety of approaches and goals in developing their rates. The "best practices" common among these states have been explored above. Suggested action steps are described as follows.

[47] The new rates do not apply to Niagara Mohawk, which had previously submitted—and gained approval for—a standby rate external to this process. The Niagara Mohawk rate is less favorable to DG than the rate described herein, and presents an on-going barrier to DG deployment in their service territory.

States That Have Addressed Rates for Renewables or CHP

A top priority after establishing rates is to identify and mitigate issues that might adversely affect the success of the rates. States can:

- Monitor utility compliance and impact on ratepayers. Significant, unanticipated, or adverse impacts on ratepayers can be addressed through implementing or adjusting cost caps or other appropriate means.
- Monitor the pace of installation of new renewable resources and CHP to make sure that the rates are working.

States That Have Not Addressed Rates for Renewables or CHP

States have found that political support from PUC officials and staff is helpful in establishing appropriate rates. Once general support for goals has been established, a key step is to facilitate discussion and negotiation among key stakeholders toward appropriate rate design. More specifically, states can:

- Ascertain the level of general interest and support for renewable energy and CHP in the state among public office holders and the public. If awareness is low, consider implementing an education program about the environmental and economic benefits of accelerating the development of renewable energy and CHP.
- Identify existing renewable portfolio standards or other policies in place or pending that might be significant drivers to new onsite clean energy supply. The rate issue may arise in that context.
- Establish a working group of interested stakeholders to consider design issues and develop recommendations for favorable rates.
- Open a generic PUC docket to explore actual costs and system benefits of onsite clean energy supply and rate reasonableness.

Information Resources

Federal Resources

Title/Description	URL Address
The U.S. Environmental Protection Agency's (EPA's) CHP Partnership is a voluntary program that seeks to reduce the environmental impact of energy generation by promoting the use of CHP. The Partnership helps states identify opportunities for policy development (energy, environmental, economic) to encourage energy efficiency through CHP and can provide additional assistance to states in assessing and implementing reasonable rates.	http://www.epa.gov/chp/

General Articles About Ratemaking

Title/Description	URL Address
Accommodating Distributed Resources in the Wholesale Market. This Regulatory Assistance Project (RAP) publication examines the different functions that distributed resources can perform and the barriers to these functions. Policy and operational approaches to promoting distributed resources in wholesale markets are identified.	http://www.raponline.org/showpdf.asp?PDF_URL=%22Pubs/DRSeries/DRWhlIMkt.pdf%22
Electricity Transmission: A Primer. This RAP publication was prepared for the National Council on Electric Policy in connection with the Transmission Siting Project. The primer is intended to help policymakers understand the physics, economics, and policies that influence and govern the electric transmission system.	http://www.raponline.org/showpdf.asp?PDF_URL=Pubs/ELECTRICITYTRANSMISSION%2Epd
Energy Efficiency's Next Generation: Innovation at the State Level. American Council for an Energy-Efficient Economy (ACEEE), report number E031, November 2003.	http://www.aceee.org/pubs/e031.htm

Other Resources

Title/Description	URL Address
Regulatory Requirements Database for Small Generators. Online database of regulatory information for small generators. Includes information on standby rates and exit fees, as well as environmental permitting and other regulatory information.	http://www.eea-inc.com/rrdb/DGRegProject/index.html
The U.S. Combined Heat and Power Association (USCHPA) brings together diverse market interests to promote the growth of clean, efficient CHP in the United States. USCHPA can assist states in rate design.	http://www.uschpa.org

Examples of State Legislation and Program Proposals

State	Title/Description	URL Address
Illinois	**220 ILCS 5/ Public Utilities Act. Electric Service Customer Choice And Rate Relief Law of 1997**. This legislation provides an example of exit fee provisions that encourage CHP.	http://www.ilga.gov/legislation/ilcs/ilcs4.asp?DocName=022000050HArt%2E+XVI&ActID=1277&ChapAct=220%26nbsp%3BILCS%26nbsp%3B5%2F&ChapterID=23&ChapterName=UTILITIES&SectionID=21314&SeqStart=40500&SeqEnd=45100&ActName=Public+Utilities+Act%2E
Massachusetts	**220 CMR 11.00: Rules Governing the Restructuring of the Electric Industry**. This legislation provides an example of exit fee provisions that encourage CHP.	http://www.magnet.state.ma.us/dpu/restruct/96-100/cmr11-2.pdf

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Title/Description	URL Address
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Evans, P.B. 2005. Optimal Portfolio Methodology for Assessing Distributed Energy Resources Benefits for the Energynet. CEC, PIER Energy-Related Environmental Research. CEC-500-2005-061-D.	http://www.energy.ca.gov/2005publications/CEC-500-2005-061/CEC-500-2005-061-D.pdf